

**DATE:** September 25, 2007

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Underground District No. 27 for Mission Boulevard from Calhoun Street to Overhill Drive: Adoption of a Resolution to Establish

### **RECOMMENDATION**

That Council adopts a resolution to establish Underground District No. 27 for Mission Boulevard from Calhoun Street to Overhill Drive, and introduce the attached ordinance relating to the establishment of Underground District No. 27.

### **BACKGROUND**

At its meeting of September 11, 2007, Council adopted a Resolution of Intention to consider the establishment of the Underground District No. 27 for Mission Boulevard, from Calhoun Street to Overhill Drive, as shown on the attached map (see Exhibit A), and set a hearing date for September 25, 2007. It is now appropriate for Council to conduct the public hearing on the establishment of this district. On September 13, 2007, staff sent a notice of this meeting to all affected property owners. On September 14, 2007, notices were also sent to all affected utility companies.

For the past several years the City has been working on a program to underground all utilities along Mission Boulevard from the downtown to Industrial Parkway. The authority for the City to establish underground districts comes from the Improvement Act of 1911. In 1998, the City Council established Underground District No. 24 – Mission Boulevard from Overhill Drive south. The actual work was completed as part of the Measure B spot widening project at Mission Boulevard and Industrial Parkway.

In 2001, the City Council established Underground District No. 25 – Mission Boulevard from Sycamore Avenue to Harder Road. The actual work on this area was postponed to better coordinate with plans for the Route 238 Corridor Improvement Project.

In 2002, the City Council established Underground District No. 26 – Mission Boulevard from Harder Road to Calhoun Street. Pacific Gas & Electric Company (PG&E) managed this project and, after several delays, it is presently under construction and scheduled for completion in May 2008.

The funding of Underground Districts is made possible by what is referred to as Rule 20A money. PG&E is required to annually allocate funds to each city that has overhead wires. Allocation is based on a calculation method that takes into account the number of existing overhead distribution facilities. The other utility companies, such as Comcast and AT&T, do not have a similar allocation process, but they are required to budget for their costs associated with Rule 20A work. As reported during previous Capital Improvement Program (CIP) discussions, the City has identified all present and future Rule 20A allocations through 2009, to be for work on Mission Blvd. Because the City owns its streetlights, it is also responsible for any new lighting costs. Since 1998, funding for streetlights has been allocated for each segment along Mission Boulevard within the Street Lighting Fund of the CIP, and this source has also been used to cover City coordination costs associated with undergrounding these districts. At this time, staff is recommending establishment of the next underground district in order to continue this program.

## **DISCUSSION**

The next proposed segment, which will become Underground District No. 27 – Mission Boulevard, will extend from Calhoun Street to Overhill Drive. City Staff has worked with the affected utility companies to define the specific boundaries of Utility District No. 27, as shown on Exhibit A. As the design process with the utility companies proceeds, the estimated cost in terms of Rule 20A funds will be defined in more detail. As of their latest annual update, PG&E reports that \$5,0480,000 is available in unallocated Rule 20A funds.

Each property owner will be responsible for the construction of underground electrical, telephone, and cable TV facilities from the property line to the building service. Staff and utility companies' representatives will work with each property owner to ensure knowledge of this requirement. Costs for individual residential service conversion will vary, depending on the circumstances involved, ranging from \$2,000 to \$4,000. Commercial building service conversions could range from \$3,000 to \$6,000. The proposed district includes 86 properties: 57 residential, 24 commercial, and five vacant lots or transmission line easements.

In all previous conversion projects, property owners paid the cost of undergrounding any and all service runs to their properties or for converting individual services to underground service. In consideration of past practices and in order to avoid a potentially costly precedent, it is recommended that the City continue the practice of not paying for individual or commercial service conversions. After adoption of the Resolution of Intention, individual notices will be mailed to affected property owners informing them of the public hearing on September 25, 2007.

In order to best coordinate undergrounding with the City plans for the Route 238 Corridor, the City will assume the role of lead agency, prepare the composite plans for the undergrounding work, and administer the eventual construction contract. Later this fall, Council is scheduled to certify the environmental document and approve the Route 238 Corridor Improvement project. Assuming Council's certification and project approval, design and construction of this utility undergrounding project along with the segment from Sycamore Avenue to Harder Road (Underground District No. 25) will be included in the design of Route 238 Corridor Improvement Project. Streetlighting improvements on Mission Boulevard will also be included in these projects. It makes sense to

combine both undergrounding districts with the larger improvement project, since each project involves improvements to Mission Boulevard that should take place at the same time in order to minimize disruption to the public.

Based on coordination with the City's project and past experience with various utility companies, it is estimated that the connection to underground wiring system will be completed by June 2010, and the removal of all poles and overhead wires will be completed by December 2011. These dates may be moved up or postponed by the City upon notification to affected property owners.

### **FISCAL IMPACT**

As indicated above, cost estimates for the project will be determined after project design, and approximately \$5,048,000 in Rule 20A funds are available. Project Number 5148 in the CIP, Mission Boulevard Undergrounding Phase III Streetlighting – Calhoun Street to Overhill Drive has an appropriation of \$60,000 in 2007/08 to cover City staff costs.

### **SCHEDULE**

Public hearing on district boundary	September 25, 2007
Begin design	November 2007
Conversion of overhead to underground system	June 2010
Removal of all poles and overhead wires	December 2011

Prepared by:



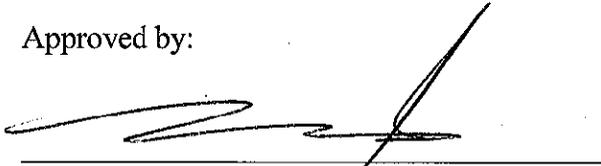
Morad Fakhrai, Deputy Dir. of Public Works

Recommended by:



Robert A. Bauman, Director of Public Works

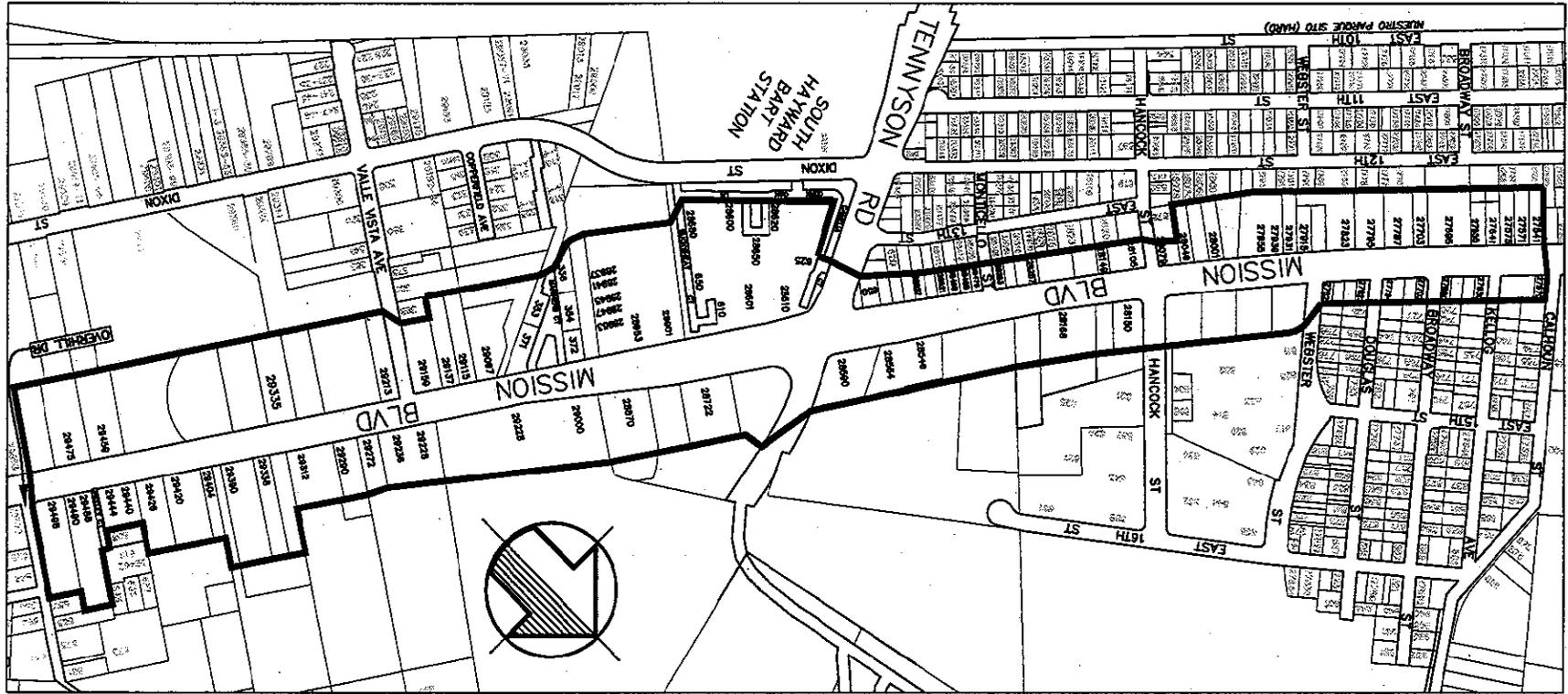
Approved by:



Fran David, Acting City Manager

Attachments: Exhibit A - Underground District Boundary Map

Exhibit A



**LEGEND**

**————** UNDERGROUNDING DISTRICT BOUNDARY

SCALE: 1"=600'

**UNDERGROUNDING  
DISTRICT NO. 27 (PROJECT NO. 5148)  
MISSION BLVD: CALHOUN ST TO OVERHILL DR**

CITY OF HAYWARD - MAY 2007

**DRAFT**

20

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

Introduced by Council Member \_\_\_\_\_

**RESOLUTION TO ESTABLISH UNDERGROUND DISTRICT  
NO. 27 FOR MISSION BOULEVARD FROM CALHOUN  
STREET TO OVERHILL DRIVE**

WHEREAS, by Resolution No. 07-126 dated September 11, 2007, the City Council declared its intention to establish an underground wiring district for Mission Boulevard from Calhoun Street to Overhill Drive; and

WHEREAS, September 25, 2007, at the hour of 8:00 p.m., in the Council Chambers, City Hall, 777 B Street, Hayward, California, was fixed as the time and place for hearing protests to the proposed underground wiring district; and

WHEREAS, a copy of the resolution of intention was published, posted, and mailed as directed; and

WHEREAS, the City Council of the City of Hayward hereby finds and determines that the streets are used extensively by the general public and carry a heavy volume of pedestrian or vehicular traffic, and therefore the public peace, safety, comfort, convenience, interest, and welfare require the establishment of the underground wiring district.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby orders the establishment of an underground wiring district for certain portions of Mission Boulevard, as follows:

**UNDERGROUND DISTRICT NO. 27. Mission Boulevard from  
Calhoun Street to Overhill Drive**

as indicated on those certain maps entitled:

**UNDERGROUNDING DISTRICT NO. 27  
BOUNDARY MAP**

The maps delineating the boundaries of said district are attached hereto as Exhibit "A" and incorporated herein as if set forth in full.

BE IT FURTHER RESOLVED that the following exceptions in Underground Utility District No. 27 are hereby authorized:



ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward